



GARY R. HERBERT
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Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

July 21, 2010

CERTIFIED RETURN RECEIPT

7005 0390 0000 7507 4436

Tony Christofferson
Sunroc Corporation
525 West Arrowhead Trail
P.O. Box 488
Spanish Fork, Utah 84639

Subject: Evaluation of Reclamation Surety, Sunroc Corporation, Levan Chicken Creek Mine, M/023/0016, Juab County, Utah

Dear Mr. Christofferson:

The Division of Oil, Gas and Mining's last reclamation cost estimate for the Levan Chicken Creek Mine was escalated to 2007 dollars. The reclamation surety amount is now due for review and adjustment. The Division may adjust the amount of reclamation surety as the result of a periodic review taking into account inflation/deflation based on an acceptable cost index (R647-4-113.6).

The Division is now using reclamation cost worksheets to calculate the reclamation cost estimate. On February 23, 2010, the Division sent you the second review of your proposed amendment for the Levan Chicken Creek Mine. In that review, the Division stated that a revised reclamation cost estimate was needed.

At that time the Division assumed that Sunroc would respond with the revised reclamation cost estimate and that the bond would be escalated as part of the revision. Please either submit the revisions to the mine plan or submit revised reclamation cost estimate by August 26, 2010.

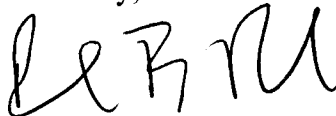
The worksheets are being added to the Division's web site at <http://ogm.utah.gov/minerals/default.htm>. If when you receive this letter the worksheets are not yet posted, please request an electronic version from Wayne Western at 801-538-5263 or by e mail at waynewestern@utah.gov.



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Tony Christofferson
M/023/0016
July 21, 2010

Thank you for your cooperation. Please call me at 801-538-5261 or Wayne Western (lead) at 801-538-5263 if you have questions about this letter.

Sincerely,

A handwritten signature in black ink, appearing to read 'PBB' followed by a stylized flourish.

Paul B. Baker
Mining Program Manager

PBB:ww/pb

cc: twlloyd@fs.fed.us and tshore@fs.fed.us

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